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Place:
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Date:
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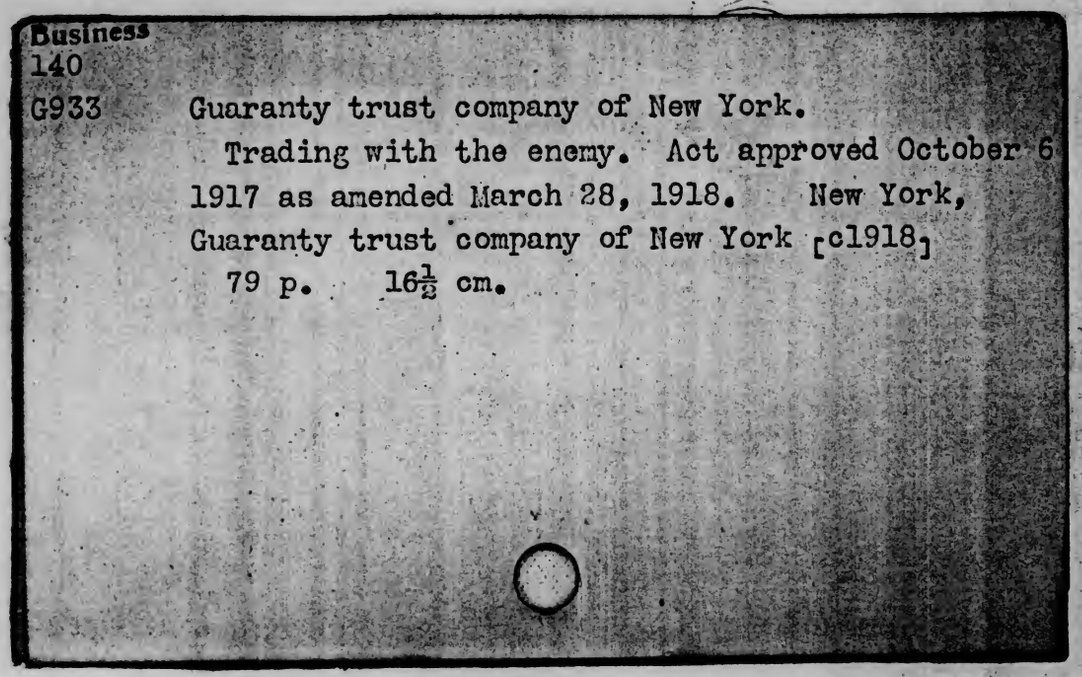

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Trading With the Enemy

Act Approved October 6, 1917
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Foreword

Reasons for Legislation

For more than a century the United States has recognized the principle that commercial intercourse ceases between rival countries at war. The Supreme Court, in passing on this question in 1814, said it is a "fundamental proposition" of international law that neither business, nor correspondence can be maintained between the citizens of belligerent nations, except so far as may be allowed by the "sovereign authority."

Congress has, accordingly, passed an act setting forth in definite and concrete form the allowances and prohibitions which are to prevail in the existing emergency, and has gone the length of making violations of its mandate criminal, the offenders being subject to fine or imprisonment, or both. This is a novel development of a principle of international law; but the economic and financial resources of all the nations engaged in the present war are now of such vital importance that it is incumbent upon the

Government to provide against the rendering of assistance to the enemy in any form or degree, and to conserve to the uttermost our own resources for ourselves and for those with whom we make common cause. In doing this, Congress has not enunciated any new principle of international law, but has interpreted its existing canons in the light of an immediate emergency.

Purposes of Legislation

The chief objects of this measure may be stated as:

First, to recognize and apply, subject to definite modification, the principles of international law interdicting trade in time of war; *and*

Second, to conserve and utilize, upon a basis of practical justice, such enemy property as may be found within the jurisdiction of the United States.

Interdiction of Trade

The authorization of trade *under license* is one of the principal modifications of the rules of international law which are provided for

in the present legislation forbidding trade between citizens of the United States and subjects of the enemy.

In effect the law prohibits all trade whatsoever with an enemy or ally of enemy of the United States, except by license issued by the President. However, a citizen or subject of an enemy or ally of enemy country, residing here or in a neutral country, is affected by the prohibitions of the law only when declared to be an enemy or ally of enemy by proclamation of the President.

Other acts prohibited by the law, except when licensed, include: the transportation of an enemy, or an ally of enemy, into or from the United States; the transmission of any letter, document, or other form of communication, to or from the United States, to an enemy or ally of enemy; the carrying on of business in the United States by enemy or ally of enemy insurance and reinsurance companies and others, through branches, agencies, or otherwise; and publication of any news item or comment on the war in foreign languages.

Conservation and Utilization of Enemy Property

In order that the United States, as far as is practicable, may utilize and conserve enemy property, the law provides for the surrender of alien enemy property to an alien property custodian. Such money or property may be invested in Government bonds. This gives the United States the benefit of the use of such funds during the period of the war, without confiscation; and, at the same time, protects the interests of subjects of belligerent nations.

Patents, Trademarks, and Copyrights

The prosecution, in enemy countries, of applications for letters patent, and for registration of trademarks and copyrights, is permitted to our citizens, and is permitted, in this country, to subjects of enemy or ally of enemy countries. The use of enemy patents, trademarks, and copyrights by citizens of the United States, for the purpose of manufacture or otherwise, is also permitted, and adequate remedy for compensation therefor to enemy owners is provided for. This latter provision will undoubtedly

open a large field of industry for the manufacture of many articles, now manufactured in Germany, by the use of processes and devices which are protected here by patents held by Germans.

Our Foreign Trade Division is prepared to give any information that may be desired, especially in regard to such regulations and orders as may be issued from time to time under this Act.

August 1, 1918

Synopsis of Trading With the Enemy Act

DEFINITIONS

ENEMY OR ALLY OF ENEMY. Briefly stated, any person residing or doing business within an enemy country, and any person residing outside of the United States and doing business in an enemy country, and any corporation incorporated within an enemy country or incorporated within any country other than the United States and doing business within an enemy country, are termed "enemy." Doing business within an enemy country means having a branch, or agency actively conducting business within that country.

The bill does not bring within the term "enemy" a neutral, unless such neutral has a branch of its business within an enemy country. Nor does the bill term "enemy" a citizen or subject of an enemy nation residing in a neutral country and conducting no part of his business in an enemy country. The act provides, however, that a citizen or subject of an enemy country, residing or doing business anywhere, may by proclamation of the President be included in the term "enemy." (Sec. 2.)

The term "ally of enemy" is defined along

similar lines as the definition of the term "enemy." (Sec. 2.)

PERSON. An individual, partnership, association, company, or other unincorporated body of individuals, or corporation, or body politic. (Sec. 2.)

UNITED STATES. All land and water, continental or insular, in any way within the jurisdiction of the United States or occupied by the military or naval forces thereof. (Sec. 2).

THE BEGINNING OF THE WAR. Midnight ending the day on which Congress has declared or shall declare war or the existence of a state of war. (Sec. 2.)

END OF THE WAR. Date of proclamation of exchange of ratifications of the treaty of peace, unless the President shall, by proclamation, declare a prior date, in which case the date so proclaimed shall be deemed to be the "end of the war" within the meaning of this Act. (Sec. 2.)

TO TRADE.

(a) Pay, satisfy, compromise, or give security for the payment or satisfaction of any debt or obligation.

(b) Draw, accept, pay, present for acceptance or payment, or indorse any negotiable instrument or chose in action.

(c) Enter into, carry on, complete, or perform any contract, agreement, or obligation.

(d) Buy or sell, loan or extend credit, trade in, deal with, exchange, transmit, transfer, assign, or otherwise dispose of, or receive, any form of property.

(e) To have any form of business or commercial communication or intercourse with. (Sec. 2.)

BANK OR BANKS. National banks, State banks, trust companies, or other banks or banking associations doing business under the laws of the United States, or of any State of the United States.

Acts Prohibited Except by License

Acts, transactions, and business prohibited and made criminal by the law, unless performed or carried on under license, include:

Trade

Trading, or attempting to trade, directly or indirectly with or on behalf of any person, with knowledge or reasonable cause to believe that such person is an enemy or ally of enemy, or is conducting the trade in connection with an enemy or ally of enemy. (Sec. 3-a.)

Transportation of Enemy or Ally of Enemy

Transporting or attempting to transport any person, with knowledge or reasonable cause to believe that such person is a subject or citizen of an enemy or ally of enemy nation. (Sec. 3-b.)

Transmission of Communications

Transmitting or attempting to transmit out of or into the United States any letter or other communication (except through the mail), or transmitting any letter or other writing, book, map, plan, or other paper, picture, or any telegram, cablegram, or wireless message, or other form of communication, intended for or to be delivered directly or indirectly to an enemy or ally of enemy, except that this provision shall not apply to persons in the service of the United States or of any nation not an enemy or ally of enemy nor to such persons or class of persons as the President may make exempt. (Sec. 3-c.)

Enemy or Ally of Enemy Doing Business Here

Doing business in the United States by every enemy or ally of enemy, including insurance and reinsurance companies, whether through an agency, branch office, or otherwise. This restriction shall not apply until thirty days have elapsed after the enactment of the law, or until license is refused upon application made within thirty days after enactment. (Sec. 4-a.)

Change of Name

No enemy or ally of enemy and no partnership of which he was a member, at the beginning of the war, shall be permitted to change his or its name, during the war. (Sec. 4-b.)

Granting of Licenses

Authority to Grant Licenses

The President may grant licenses, special or general, temporary or otherwise, and for such period of time and containing such provisions and conditions as he shall prescribe, to any person or class of persons to do any act or to an enemy or ally of enemy to do business prohibited by this law. (Sec. 5-a.)

Revocation and Renewal

The President may revoke or renew licenses from time to time, if in his opinion such action is compatible with the safety of the United States and the successful prosecution of the war. (Sec. 5-a.)

Delegation of Power

To carry out the provisions of this Act, the President may exercise any power or authority conferred hereunder through such officer or officers as he may direct. (Sec. 5-a.)

Export of Coin or Money

The President may investigate, regulate or prohibit any transaction in foreign exchange, export of gold or silver coin or bullion, and transfer of credit in any form by any bank, other than credits relating solely to transactions to be executed wholly within the United States, and trans-

fers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, whether enemy, ally of enemy, or otherwise, or between residents of one or more foreign countries, by any person within the United States, and may require any person engaged in such transaction to furnish under oath complete information relative thereto. (Sec. 5-b.)

Suspension of Performance of an Act to Prevent Violation

If the President has reasonable cause to believe that any act is about to be performed in violation of restrictions prohibiting trading, the transportation of an enemy or ally of enemy, or the transmission of letters, documents, or other communications to an enemy or ally of enemy, he may order the suspension of the performance of such act for a period not exceeding ninety days, pending investigation of the facts by him. ((Sec. 5-a.)

Letters Patent Applied for under License

The President may grant licenses for the prosecution of applications for letters patent or for registration of trademarks, or copyrights in the country of an enemy, or of an ally of enemy. (See page 32.)

Enemy or Ally of Enemy Doing Business Here

Every enemy or ally of enemy, including enemy or ally of enemy insurance or reinsurance com-

panies, doing business within the United States through an agency or branch office, or otherwise, may, within thirty days after October 6, 1917, apply to the President for a license to continue to do business; and, within thirty days after such application, the President may enter an order either granting or refusing to grant such license. (Sec. 4-a.) (Sec. 5-a.)

Unlawful to Continue Business Without License

If a license is not applied for within thirty days after October 6, 1917, or if a license shall be refused to any enemy or ally of enemy, whether insurance or reinsurance company, or other person, making application, or if any license granted shall be revoked by the President, all trade or attempt to trade with, to, from, for, by, on account of, or on behalf of, or for the benefit of such enemy or ally of enemy shall be unlawful. (Sec. 4-a.)

May Continue Business Pending License Application

For a period of thirty days after October 6, 1917 and further pending entry of order by the President after application made within thirty days by an enemy or ally of enemy, other than an insurance or reinsurance company, it shall be lawful for such enemy or ally of an enemy to continue to do business in this country and for any

person to trade with, to, from, for, on account of, on behalf of, or for the benefit of such enemy or ally of enemy. (Sec. 4-a.)

May not Export Funds

During such period an enemy or ally of enemy insurance company may continue to do business in accordance with the terms of the President's Proclamation of April 6, 1917, as modified by the Proclamation of July 13, 1917, but may not transmit any funds out of the country or allow any funds to be used as a basis for credit for an enemy or ally of enemy. (Sec. 4-a.)

Licenses to do Business Restricted

The President shall not have power to license any marine or war-risk insurance or reinsurance business; or to authorize the transmission of any funds out of the United States, or their use as the basis for any credit, within or outside of the United States, for an enemy or ally of enemy. (Sec. 4-a.)

Payments Under Existing Policies or Contracts, After Refusal or Revocation of License

A policy-holder or an insurance company, not an enemy or ally of enemy, holding insurance or having effected reinsurance with an enemy or ally of enemy company, may receive payment from such enemy company, of any premium, return premium, claim, money, security, or other property due or to become due and in force at the time

a license is revoked or refused such enemy company. Policies or contracts existing at such time are not made void by this act; and any policy-holder or insurance company having any claim to money or other property of the enemy or ally of enemy insurance company in the control of the alien property custodian or of the Treasurer of the United States, may make application for the payment thereof and may institute suit as provided in this Act. (Sec. 4-a.)

Notice of Refusal or Revocation of License

Reasonable notice of intent to refuse to grant a license, or to revoke a license granted, to any reinsurance company shall be given by the President to all insurance companies within the United States known to be doing business with such reinsurance company. (Sec. 4-a.)

Effect of Law on Void Transactions

Nothing in this law shall render valid any act or transaction, constituting trading with an enemy, since the beginning of the war and prior to October 6, 1917, or any such act or transaction thereafter performed or entered into, except as authorized, which would otherwise be void or illegal at law. Any conveyance, transfer, delivery, or loan of money or other property, prohibited by this act, made after October 6, 1917, without license, shall create no right or

remedy with respect thereto. Likewise the assignment, endorsement, or delivery of any debt, bill, note, or other obligation by or from an enemy or ally of enemy shall create no right or remedy against any person liable thereon, unless such obligation was made prior to the war or under license granted by the President. Any person who pays or satisfies such obligation will be subject to penalties prescribed for violation of the provisions of this act. (Sec. 7-b.)

Pre-War Payments

The law does not prohibit the payment of money belonging to an enemy or ally of enemy to a person within the United States, not an enemy or ally of enemy, if the funds so paid were received prior to the beginning of the war and the payments arose from transactions entered into prior to the war and not in contemplation thereof. A license from the President, however, is required before such payment may be made. The law furthermore does not prevent the performance or completion of any contract originally entered into by an enemy or ally of enemy, if, prior to the beginning of the war and not in contemplation thereof, the interest of the enemy or ally of enemy devolved upon a person not an enemy or ally of enemy, and no enemy or ally of enemy will be benefited by such performance other than by release from the obligation. (Sec. 7-b.)

Custodian of Enemy Property

Powers

The President is authorized to appoint an Alien Property Custodian who shall be empowered to receive all money and property in the United States due or belonging to an enemy or ally of enemy, and to hold and administer and to account for the same under the general direction of the President. Such custodian shall be required to give bond in form and amount as the President shall prescribe. (Sec. 6.)

Payment to Custodian a Discharge

Payment and delivery of money or property to such custodian shall be a full acquittance or discharge, for all purposes of the obligation of the person making such payment or delivery, and the Custodian, or such other person as the President may appoint, shall have power to evidence upon the record or otherwise such acquittance or discharge and to deliver any security therefor, which has come into his possession. Any person so empowered by the President will be furnished with a certificate from the President which will be accepted as evidence of his authority in the same manner as a power of attorney. (Sec. 7-e.)

Moneys Invested in Government Bonds

All moneys paid to or received by the Alien Property Custodian shall be deposited in the

Treasury of the United States and may be invested by the Secretary of the Treasury in United States Government bonds or certificates of indebtedness. As soon after the end of the war as the President may deem practicable, such securities shall be sold and the proceeds deposited in the Treasury. (Sec. 12.)

Other Property to be Deposited in Banks

All other property including stocks, bonds, notes, time drafts, or other securities (except checks, or drafts payable on demand) of an enemy or ally of enemy shall be deposited in any bank or banks, or trust companies in the United States designated by the President. Such depositaries are authorized to collect dividends, interest, or income which may become due on any stocks, bonds, notes, or other securities, and to deposit same in the Treasury of the United States. (Sec. 12.)

Rights of Custodian

The Custodian, in respect of all property coming into his hands other than money, shall possess the powers of a common law trustee, and under prescribed regulations may manage such property and exercise such rights as may appertain to ownership, as though he were the absolute owner. (Sec. 12.)

Corporations or unincorporated associations or trustees issuing shares or certificates repre-

senting beneficial interests are required to transfer stocks delivered to the custodian upon demand of the latter, accompanied by delivery of the certificates. The returns from property sold by the Custodian shall be deposited in the Treasury of the United States. (Sec. 12.)

Money or property required or authorized to be paid or transferred to the Custodian, shall upon his written order be paid or transferred to the Treasurer of the United States. (Sec. 12.)

Sales of Property

Except when sold to the United States, property disposed of under the provisions of this Act shall be sold only to American citizens at public sale to the highest bidder, the time and place of sale having been publicly advertised. The sale shall be where the property or a major portion thereof is situated except where the President, stating the reasons therefor, shall in the public interest, otherwise determine.

The Custodian, upon order of the President, stating the reasons therefor, may reject all bids and resell the property at public sale or otherwise, as the President may direct. A person purchasing property from the Custodian for an undisclosed principal, or for resale to a person not a citizen of the United States, or for the benefit of a person not a citizen of the United States, shall be guilty of a misdemeanor, punish-

able by a fine of not more than $10,000 or by imprisonment for not more than ten years, or both, and the property shall be forfeited to the United States. (Sec. 12)

Disclosure of Stockholders, Officers, and Directors of Corporations and Unincorporated Associations

Every corporation organized in the United States, and every unincorporated association or company, or trustee or trustees within the United States, issuing shares or certificates representing beneficial interests are required to furnish the Custodian, within sixty days after October 6, 1917, with a full list of the names of every officer, director, or stockholder, living outside of the United States, known to be, or whom there is reasonable cause to believe to be, a citizen or subject of a nation at war with the United States or of an ally of such nation, together with the amount of stock or shares owned by each. A similar list may also be required by the President of all stock and shares owned on February 3, 1917, by an enemy or ally of enemy or which the corporation, company, or trustee has reasonable cause to believe is owned by an enemy or ally of enemy, though standing on the books in the name of another person. The name of any officer, director, or stockholder contained in this list may be stricken therefrom by the Custodian if he is satisfied that such officer, director, or stock-

holder is not an enemy or ally of enemy. The President may extend the time for filing lists or returns for an additional period not to exceed ninety days. (Sec. 7-a.)

Money, Property and Debts

Any person in the United States holding or having custody or control, alone or jointly, of any property, beneficial or otherwise, for or on behalf of an enemy or ally of enemy, or for any person whom he may have reasonable cause to believe to be an enemy or ally of enemy, or any person in the United States indebted in any way to an enemy or ally of enemy, or to any person believed to be such, is required to furnish the Custodian with a statement containing the particulars of such holdings of indebtedness. Such report shall be made within thirty days after October 6, 1917, or within thirty days after such property shall come within the custody or control of such person, or after such indebtedness becomes due. The President may also require a similar report of all property so held on February 3, 1917, but the name of any person included in such report may be stricken out by the Custodian if he is satisfied that such person is not an enemy or ally of enemy. The President may extend the time for filing lists or returns, for an additional period not to exceed ninety days. (Sec. 7-a.)

Any money or property owing or belonging to an enemy or ally of enemy who has not been granted a license by the President, may be required by the President to be paid over or conveyed to the Custodian. (Sec. 7-c.) If not so required, any person, not an enemy or ally of enemy, owning or holding money or property of an enemy or ally of enemy, if such enemy or ally of enemy does not hold a license hereunder, may, with the consent of the President, pay or transfer the same to the Custodian. (Sec. 7-d.)

Enforcement of Rights Affecting Enemy Property and Contracts

Mortgages and Liens

Any person, not an enemy or ally of enemy, holding a mortgage, pledge, lien, or other right in the nature of security in any property of an enemy or ally of enemy, which by law or by the terms of the instrument creating such right may be disposed of, may hold such property or, after default, may dispose of such property after notice to the Custodian under regulations prescribed by the President. Likewise, any person, not an enemy or ally of enemy, who is a party to a contract with an enemy or ally of enemy the terms of which provide for a termination upon notice or for acceleration of maturity on demand,

may terminate or mature such contract upon notice to the Custodian.

If any surplus remains after the satisfaction of a mortgage or other claim, notice thereof shall be given to the President and such surplus held subject to his control and order. (Sec. 8-a.)

Notice to Custodian

The notice to the Custodian shall be for no longer period than is required by law or by the instrument providing for such notice. If no notice is required by law or by such instrument, notice will not be required by the Custodian. Notice given to the Custodian in accordance with the above shall have the same effect as if served upon an enemy or ally of enemy personally. (Sec. 8-a.)

Contracts Prior to War

Any contract entered into prior to the war, between any citizen of the United States, or corporation or organization within the United States, and an enemy or ally of enemy, the terms of which provide for the delivery of anything produced, mined, or manufactured in the United States, to an enemy or ally of enemy, may be abrogated by such citizen or corporation, by serving thirty days' notice in writing upon the Custodian. (Sec. 8-b.)

Claims for Property Transferred to Custodian

Any person, not an enemy or ally of enemy, having any interest, right, or title to any money or other property transferred to the Custodian, or to whom any debt may be owing from an enemy or ally of enemy whose property has been transferred to the Custodian, may file with the Custodian a notice of his claim. If application is made by the claimant for the transfer of such money or property, the President, with the assent of the owner thereof and of all persons claiming an interest therein, may order the payment or delivery to the claimant of such money or property, held by the Custodian or by the Treasurer of the United States, or of such interest therein as the President may determine the claimant is entitled to. An order of the President herein shall not bar any person from prosecuting suit to establish any right or interest in such money or property. (Sec. 9.)

May Sue in District Court

If the claimant files notice of his claim but makes no application to the President, or if the President shall not act on such application within sixty days, the claimant may, within six months after the end of the war, institute a suit in equity to establish the interest, right, title, or debt so claimed. Such suit shall be instituted in the district court of the United States for the district

in which the claimant resides, or if the claimant is a corporation, the suit shall be instituted in the district where such corporation has its principal place of business. The property or money claimed shall be held by the Custodian until final decree is entered and satisfied by payment, or until the suit is otherwise terminated. Except as provided in the law, the money or property paid to the Custodian shall not be liable to lien, attachment, garnishment, trustee process, or execution, nor shall it be subject to any order or decree of any court. But money paid to the Custodian and deposited in the Treasury of the United States, as a trust fund for the payment of an enemy or ally of enemy owner of letters patent, or trademark, print, label, or copyright registration, used by a citizen of the United States under license from the President, may be distributed by order of a court. (Sec. 9.)

Enemy May Sue or Defend

An enemy or ally of enemy licensed hereunder may bring suit if the basis thereof originated in business transacted within the United States under such license; and, similarly, defend a suit brought against him. (Sec. 7-b.)

Notice from President a Defense

Notice from the President that he believes a person asserting a claim in law or equity is an

enemy or ally of enemy shall operate as a prima facie defense to such suit. (Sec. 7-b.)

Statute of Limitation Suspended

The running of any statute of limitation shall be suspended with reference to the rights or remedies on any contract entered into prior to the beginning of the war between parties neither of whom is an enemy or ally of enemy, the terms of which provide for payment of money evidenced by commercial paper drawn against or secured by funds or property situated in an enemy or ally of enemy country. No suit shall be maintained on any such contract in the United States until after the end of the war, or until such funds or property shall be released for payment or for satisfaction of such contract. This provision shall not be construed to prevent the suspension of the running of any statute of limitation in cases where such suspension would occur under existing law. (Sec. 8-c.)

Settlement of Claims

After the end of the war, any claim of an enemy or ally of enemy to money or other property held by the Custodian, or deposited in the United States Treasury, shall be settled as Congress shall direct, except that, on order of the President, or of the court as provided in this Act, the Custodian or the Treasurer of the United States shall con-

vey or pay to any person to whom the President shall order, or in whose behalf a final judgment or decree shall be entered, money or property of an enemy or ally of an enemy held by the Custodian or the Treasurer of the United States. The Treasurer of the United States on order of the Custodian shall repay to the licensee of any patent, trademark, or copyright, any funds deposited by said licensee. (Sec. 12)

Statements for Collectors of Customs

Statements by Master of Ship and Owners, Shippers or Consignors of Cargoes

The master, or person in charge of any vessel, before departure of such vessel from port, shall deliver to the collector of customs of the district wherein such vessel is located, a statement duly verified under oath, that the cargo is not shipped or to be delivered in violation of law. The owner, shipper, or consignor of the cargo of such vessel shall in like manner deliver to the collector a similar statement as to the cargo or parts thereof, shipped by them; which statement shall contain the names and addresses of the actual consignees, or, if a shipment is made to a bank or other factor, the names and addresses of the persons who are the actual consignees. Copies of these statements shall be delivered to the American consular office at the port of destination of the cargo by the master or person in control of the vessel. (Sec. 13.)

Refusal of Clearance of Vessel

Whenever there is reasonable cause to believe that the manifest or statement is false, or that the vessel is about to carry any property to or for the account of an enemy or ally of enemy, the collector of customs, subject to review by the President, may refuse clearance to any vessel for which clearance is required by law, and by formal notice served upon the owner or person in command or in charge of any domestic vessel for which clearance is not required by law, may forbid the departure of such vessel from port. (Sec. 14.)

Report of Export of Coin or Bullion

When any cargo intended for export contains gold coin, silver coin, bullion, or other moneys of the United States, the collector of customs shall report to the President the amount thereof with names of trustees, consignors, and consignees, and any other facts known to the collector, particularly those which may indicate that the shipment may be intended for delivery to an enemy or ally of enemy. (Sec. 14.)

Patents, Trademarks and Copyrights

Prosecution of Applications

An enemy or ally of enemy may file and prosecute in the United States an application for a patent, or for registration of a trademark, print,

label, or copyright, and pay any fee required by law including attorney's fees. If an enemy or ally of enemy is unable during the war, or within six months thereafter, on account of conditions arising out of the war, to file such application, or to pay any official fee required by law within the prescribed period, he may be granted an extension of nine months beyond the expiration of such period, provided the nation of which such applicant is a citizen or subject extends similar privileges to citizens of the United States. (Sec. 10-a.)

Any citizen of the United States, or any corporation organized within the United States, when duly authorized by the President, is permitted to pay to an enemy or ally of enemy, any tax, annuity, or fee which may be required by the laws pertaining to patents, trademarks, and copyrights, of such enemy or ally of enemy nation. Any citizen or corporation may file and prosecute an application for patent or registration of trademark or copyright in the country of an enemy or ally of enemy, after first receiving a license from the President, and may pay the fees required by law and agent's fees, the amount of which shall be subject to the control of the President. (Sec. 10-b.)

Use of Patent, Trademark or Copyright Owned by Enemy or Ally of Enemy

Permission to manufacture under patent or use any trademark or copyright owned or con-

trolled by an enemy or ally of enemy during the existence of the war may be granted under license issued by the President. He may prescribe the conditions of the license, including the fixing of prices of articles and products necessary to the health of the military and naval forces of the United States and the successful prosecution of the war, and the rules under which it may be granted and the fee which shall be charged therefor. (Sec. 10-c.)

The licensee shall render, at stated periods (at least annually), to the President a statement of the extent of the use of the license and the prices received and shall pay to the Alien Property Custodian an amount not to exceed five per centum of the gross sums received from the use of such inventions, trademarks, or copyrighted matter, or five per centum of the value of the use of such inventions, trademarks, or copyrighted matter, if so ordered by the President. The amount paid shall be deposited by the Custodian with the Treasurer of the United States as a trust fund for the licensee or for the owner of the patent, trademark or copyright. (Sec. 10-d.)

Licenses will continue during the term fixed in the license, or, in the absence of a limitation, during the term of the patent or copyright. (Sec. 10-e.)

For violation of these provisions or of the conditions of the license, the President, after due notice and hearing, may cancel any license. (Sec. 10-e.)

Invention Against Public Safety Kept Secret

If the President is of the opinion that the publication of an invention, through grant of a patent, may endanger the public safety or assist the enemy, he may order that such invention be kept secret and patent be withheld until the end of the war. If it be established that application for such a patent has been filed in any other country, or such invention published without the consent of the Commissioner of Patents or a license of the President, such invention may be held abandoned. (Sec. 10-i.)

Powers of Attorney

Powers of attorney heretofore or hereafter given by an enemy or ally of enemy to any person in the United States, in so far as the same may be necessary in the prosecution of an application for a patent or the registration of a trademark or copyright or the maintenance of a suit against a person other than a licensee to restrain infringement, are valid. (Sec. 10-g.)

Remedies of Enemy and Ally of Enemy Owners of Patents and Copyrights

Suits Against Licensee

An owner of a patent or copyright may, within one year after the end of the war, file a bill in equity against the licensee, in the United States district court (for the district in which the licensee resides, or, if a corporation, in which it has its principal place of business) for recovery from a licensee for all use and enjoyment of his patent, trademark, or copyright. The Treasurer of the United States shall be made a party to the suit, and the Custodian shall receive notice thereof within thirty days after its entry. The licensee shall be entitled to make any and all defences to such suit which would be available were no licenses granted. (Sec. 10-f.)

If judgment is rendered for the payment of royalty, the same shall be satisfied so far as possible by the fund which has been paid to the Custodian by the licensee. If any balance is left, the same shall be returned to the licensee. (Sec. 10-f.)

If no suit is brought against the licensee within one year after the termination of the war, all funds deposited by the licensee shall be returned. After entry of suit or repayment of funds, the licensee shall not be required to make further reports to the President. (Sec. 10-f.)

If suit is brought, the court may terminate the license and, in such event, may restrain infringement thereafter, or may continue the license for a stated period with such royalties as it may find just and reasonable. (Sec. 10-f.)

Suits Against Others than Licensee

The owner of a patent or copyright may institute and prosecute suits in equity, against any person other than a licensee, to enjoin the infringement of patents and copyrights, in the same manner and to the same extent as if the United States were not at war. Final judgment in such suit in favor of an enemy or ally of enemy shall not be entered except upon thirty days' notice to the Custodian. (Sec. 10-g.)

Suspension of Provision Relating to Ally of Enemy by President

The President may by proclamation suspend the provisions of this act so far as they may apply or relate to an ally of enemy. (Sec. 5-a.)

Publications in Foreign Language

The publication or circulation, in any foreign language, of any news item or comment respecting the United States or any nation engaged in the present war, or their policies or international relations, shall not be permitted unless the publisher files with the postmaster, at the place

of publication, a complete translation of the entire article in the English language. This translation shall be made under oath and the article published shall be accompanied by a statement showing that a true translation has been filed giving the name of the postoffice.

Publications in any foreign language failing to comply with the above regulations shall not be admitted to the mails, and their distribution in any other manner is declared unlawful.

For a false statement in the affidavit in connection with translation aforementioned, the affiant shall be punishable for perjury.

Censorship Established

If the President deems it expedient he may cause to be censored communications by mail, cable, radio, or other means between this and any country specified by him. Attempts at evasion or concealment from such censorship shall be punishable by a fine of not more than $10,000 or imprisonment for not more than ten years, or both. (Sec. 3-d.)

President May Prohibit Imports

During the war, it shall be unlawful to import into the United States any article or articles from any country of which the President shall make proclamation, except as ordered by him. (Sec. 11.)

Penalty for Violation

Violation of the provisions of this law, or of any license, rule, or regulation thereunder, shall be punishable by fine of not more than $10,000, or, if the offender is an individual, by imprisonment for not more than ten years, or both. The officer, director, or agent of any corporation who knowingly participates in such violation, shall be punished by a like fine, imprisonment, or both. Any property or any vessel concerned in such violation shall be forfeited to the United States. (Sec. 16.)

Jurisdiction of District Courts

The district courts of the United States are given jurisdiction to issue all orders and decrees which may be necessary and proper to enforce the provisions of the law, with right to appeal as prescribed by law. (Sec. 17.)

The several courts of first instance in the Philippine Islands and the district court of the Canal Zone shall have jurisdiction of offenses under this law committed within their respective districts, and concurrent jurisdiction with the district courts of the United States of offences under this law committed on the high seas. (Sec. 18.)

Circular of Information

Issued by the Alien Property Custodian

(Revised to July 1, 1918)

Section A.—Persons Whose Property Should be Reported.

Reports are required regarding any and all property belonging to any person included in one or more of the following classes:

(1) **Residents in enemy territory.**—All persons, without regard to citizenship, parentage, or place of birth, residing in enemy or ally of enemy countries or in territory occupied by the military or naval forces of enemy or ally of enemy nations. (Such territory, for convenience, will hereafter be referred to as "enemy territory" or "ally of enemy territory," as the case may be.) *This class includes even citizens of the United States so residing.*

(2) **Doing business in enemy territory.**—Persons resident outside the United States and doing business within "enemy" or "ally of enemy" territory.

(3) **Interned or imprisoned subjects of enemy nations.**—(*a*) Persons interned in custody of the United States War Department; or

(*b*) Citizens or subjects of enemy nations detained as prisoners of war by the United States or by any nation associated with it in the prosecution of the war; or

(*c*) Citizens or subjects of enemy nations interned by any of the nations which is an associate of the United States.

(4) **Officers, agents, etc., of enemy nations.**—Governments (including subdivisions) and officers, officials, agents, or agencies of enemy or ally of enemy nations.

(5) **Women enemies, by reason of marriage.**—Women who are citizens or subjects of enemy nations, resident outside the United States, and whose *husbands* are—

(*a*) Officers, officials, or agents of enemy nations (the country in which husband resides in this case is not material); or

(*b*) Residents of enemy territory; or

(*c*) Resident outside the United States and doing business in enemy territory.

(6) **Disseminating propaganda, etc.**—Citizens or subjects of enemy nations resident or doing business outside of the United States—

(*a*) Who have, since the beginning of the war, or shall hereafter disseminate propaganda calculated to injure the cause of the United States or to aid the cause of an enemy; or

(*b*) Who have assisted or shall hereafter assist in plotting or intrigue against the United States or any of its associates.

(7) **Names on enemy trading list.**—Subjects or citizens of an enemy nation resident outside of the United States whose names appear on the Enemy Trading List, as published from time to time by the War Trade Board. This includes firms and copartnerships appearing on said list, if one or more of the members are citizens or subjects of an enemy nation.

(8) **Persons who have visited in enemy territory since beginning of European war.**—Citizens or subjects of enemy nations resident outside the United States who have been resident in enemy territory at any time since August 4, 1914.

(9) **Corporations.**—Corporations, incorporated in enemy or ally of enemy territory, or incorporated outside the United States and doing business in such territory.

(10) **Additional classes created hereafter by presidential proclamation.**—Such other individuals, or body or class of individuals, as may be natives, citizens, or subjects of any enemy or ally of enemy nation, wherever resident or wherever doing business, as the President may hereafter by proclamation designate. *Wide publicity is generally given to such proclamations in the newspapers.*

(11) **Officers, directors, stockholders of corporations—Form 101 only.**—In making reports on A. P. C. Form 101 (which covers officers, directors, and stockholders of corporations) in addition to any persons falling under any of the preceding classes, you must include: All subjects or citizens of enemy or ally of enemy countries residing outside of the United States.

Section B.—Who Should Make Report

If you are custodian of property whose owner you have reasonable cause to believe is included within any of the above classes you must make report.

If you have information as to such property, but are not custodian thereof, it is your patriotic duty to furnish the Alien Property Custodian the name and residence of owner, description of property, and name and address of person in charge or with as much of this information as you can secure.

Section C.—Property to Be Reported

(1) Property, rights and claims of every kind, tangible or intangible, stocks, bonds, notes, money, chattels, securities, lands, indebtedness, accounts receivable, copyrights, patents, safety-deposit boxes, etc., which belong to or in which

any person included in one of the classes hereinbefore enumerated is interested. Even if the property is held in the name of another—by a dummy or in trust, for example—the real beneficial interest is to be reported.

(2) Executors, administrators, trustees, and other fiduciaries must report any interest of an enemy, whether vested or contingent, present or future, divided or undivided.

Section D.—List of Report Forms

The following are the forms upon which reports must be made:

(1) Form 101: List of officers, directors, and stockholders required to be filed by corporations incorporated within the United States, and by unincorporated associations, companies, or trustees within the United States, issuing shares or certificates representing beneficial interests.

(2) Form 102A: Reports by insurance companies of indebtedness arising out of life, accident, or health policies.

(3) Form 102B: Reports by insurance companies of indebtedness arising out of fire, marine, or other insurance policies and fidelity and surety bonds.

(4) Form 103: Reports by banks regarding bank deposits.

(5) Form 104: Reports by safety deposit companies and others leasing safety-deposit boxes, vaults, or receptacles, where such lessors do not have access to the boxes, vaults, or receptacles.

(6) Form 105: Reports by executors, administrators, guardians, trustees, receivers, and all others acting in like fiduciary or representative capacity.

(7) Form 109: Reports by enemies, interned in the United States, regarding property owned, held, or controlled by them, or in which they are interested beneficially or otherwise.

(8) Form 100: All enemy property or funds not required to be reported upon any of the forms above enumerated.

Above forms will be supplied by the Alien Property Custodian on request.

Section E.—Who are "Enemy" and "Ally of Enemy" Nations

At this date, July 1, 1918, "enemy nations" are:

Germany.

Austria-Hungary.

and "ally of enemy nations" are:

Bulgaria.

Turkey.

Section F.—Enemy Property to be Kept in Statu Quo

If you hold property or funds which you have reason to believe to be proper subject for report to this office, permit no change to be made, either in the investment itself or in the name or title in which it is held, unless authorized to do so by the Alien Property Custodian or the War Trade Board. *Even reinvestments in Liberty Bonds can not be made.*

Section G.—Penalty

Failure to make report to the Alien Property Custodian, where required by law or by regulation of the Alien Property Custodian made under such law, is punishable by imprisonment for not more than 10 years or a fine of not more than $10,000.00, or both.

Trading With the Enemy Act

(Approved October 6, 1917)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Trading with the enemy Act."

Sec. 2. That the word "enemy," as used herein, shall be deemed to mean, for the purposes of such trading and of this Act— **Definitions**

(a) Any individual, partnership, or other body of individuals, of any nationality, resident within the territory (including that occupied by the military and naval forces) of any nation with which the United States is at war, or resident outside the United States and doing business within such territory, and any corporation incorporated within such territory of any nation with which the United States is at war or incorporated within any country other than the United States and doing business within such territory. **Enemy**

(b) The government of any nation with which the United States is at war, or any political or municipal subdivision thereof, or any officer, official, agent, or agency thereof.

(c) Such other individuals, or body or class of individuals, as may be natives, citizens, or subjects of any nation with which the United States is at war, other than citizens of the United States, wherever resident or wherever doing business, as the President, if he shall find the safety of the United States or the successful prosecution of the war shall so require, may, by proclamation, include within the term "enemy."

The words "ally of enemy," as used herein, shall be deemed to mean—

(a) Any individual, partnership, or other body of individuals, of any nationality, resident within the territory (including that occupied by the military and naval forces) of any nation which is an ally of a nation with which the United States is at war, or resident outside the United States and doing business within such territory, and any corporation incorporated within such territory of such **Ally of Enemy**

ally nation, or incorporated within any country other than the United States and doing business within such territory.

(b) The government of any nation which is an ally of a nation with which the United States is at war, or any political or municipal subdivision of such ally nation, or any officer, official, agent, or agency thereof.

(c) Such other individuals, or body or class of individuals, as may be natives, citizens, or subjects of any nation which is an ally of a nation with which the United States is at war, other than citizens of the United States, wherever resident or wherever doing business, as the President, if he shall find the safety of the United States or the successful prosecution of the war shall so require, may, by proclamation, include within the term "ally of enemy."

Person The word "person," as used herein, shall be deemed to mean an individual, partnership, association, company, or other unincorporated body of individuals, or corporation or body politic.

United States The words "United States," as used herein, shall be deemed to mean all land and water, continental or insular, in any way within the jurisdiction of the United States or occupied by the military or naval forces thereof.

Beginning of the War The words "the beginning of the war," as used herein, shall be deemed to mean midnight ending the day on which Congress has declared or shall declare war or the existence of a state of war.

End of the War The words "end of the war," as used herein, shall be deemed to mean the date of proclamation of exchange of ratifications of the treaty of peace, unless the President shall, by proclamation, declare a prior date, in which case the date so proclaimed shall be deemed to be the "end of the war" within the meaning of this Act.

Bank or Banks The words "bank or banks," as used herein, shall be deemed to mean and include national banks, State banks, trust companies, or other banks or banking associations doing business under the laws of the United States, or of any State of the United States.

To Trade The words "to trade," as used herein, shall be deemed to mean—

(a) Pay, satisfy, compromise, or give security for the payment or satisfaction of any debt or obligation.

(b) Draw, accept, pay, present for acceptance or payment, or indorse any negotiable instrument or chose in action.

(c) Enter into, carry on, complete, or perform any contract, agreement, or obligation.

(d) Buy or sell, loan or extend credit, trade in, deal with, exchange, transmit, transfer, assign, or otherwise dispose of, or receive any form of property.

(e) To have any form of business or commercial communication or intercourse with.

SEC. 3. That it shall be unlawful—

Prohibitions

Trade (a) For any person in the United States, except with the license of the President, granted to such person, or to the enemy, or ally of enemy, as provided in this Act, to trade, or attempt to trade, either directly or indirectly, with, to, or from, or for, or on account of, or on behalf of, or for the benefit of, any other person, with knowledge or reasonable cause to believe that such other person is an enemy or ally of enemy, or is conducting or taking part in such trade, directly or indirectly, for, or on account of, or on behalf of, or for the benefit of, an enemy or ally of enemy.

Transportation of Enemy (b) For any person, except with the license of the President, to transport or attempt to transport into or from the United States, or for any owner, master, or other person in charge of a vessel of American registry to transport or attempt to transport from any place to any other place, any subject or citizen of an enemy or ally of enemy nation, with knowledge or reasonable cause to believe that the person transported or attempted to be transported is such subject or citizen.

Transmission of Communications (c) For any person (other than a person in the service of the United States Government or of the Government of any nation, except that of an enemy or ally of enemy nation, and other than such persons or classes of persons as may be exempted hereunder by the President or by such person as he may direct), to send, or take out of, or bring into, or attempt to send, or take out of, or bring into the United States, any letter or other writing or tangible form of communication, except in the regular course of the mail; and it shall be unlawful for any person to send, take, or transmit, or attempt to send, take, or transmit out of the United States, any letter or other writing, book, map, plan, or other paper, picture, or any telegram, cablegram, or wireless message, or other form of

communication intended for or to be delivered, directly or indirectly, to an enemy or ally of enemy: *Provided, however*, That any person may send, take, or transmit out of the United States anything herein forbidden if he shall first submit the same to the President, or to such officer as the President may direct, and shall obtain the license or consent of the President, under such rules and regulations, and with such exemptions, as shall be prescribed by the President.

Censorship

(d) Whenever, during the present war, the President shall deem that the public safety demands it, he may cause to be censored under such rules and regulations as he may from time to time establish, communications by mail, cable, radio, or other means of transmission passing between the United States and any foreign country he may from time to time specify, or which may be carried by any vessel or other means of transportation touching at any port, place, or territory of the United States and bound to or from any foreign country.

Any person who willfully evades or attempts to evade the submission of any such communication to such censorship or willfully uses or attempts to use any code or other device for the purpose of concealing from such censorship the intended meaning of such communication shall be punished as provided in section sixteen of this Act.

Insurance Companies or others Doing Business in U. S.

SEC. 4. (a) Every enemy or ally of enemy insurance or reinsurance company, and every enemy or ally of enemy, doing business within the United States through an agency or branch office, or otherwise, may, within thirty days after the passage of this Act, apply to the President for a license to continue to do business; and, within thirty days after such application, the President may enter an order either granting or refusing to grant such license. The license, if granted, may be temporary or otherwise, and for such period of time, and may contain such provisions and conditions regulating the business, agencies, managers and trustees and the control and disposition of the funds of the company, or of such enemy or ally of enemy, as the President shall deem necessary for the safety of the United States; and any license granted hereunder may be revoked or regranted or renewed in such manner and at such times as the President shall determine: *Provided, however*, That reasonable notice of his intent to refuse to grant a license or to revoke a license granted to any reinsurance company shall be given by him to all insurance companies incorporated within the United States and known to the President to be doing business with such reinsurance company: *Provided further*, That no insurance company, organized within the United States, shall be obligated to continue any existing contract, entered into prior to the beginning of the war, with any enemy or ally of enemy insurance or reinsurance company, but any such company may abrogate and cancel any such contract by serving thirty days' notice in writing upon the President of its election to abrogate such contract.

Abrogation of Insurance Contracts

Lawful to Continue Business 30 Days

For a period of thirty days after the passage of this Act, and further pending the entry of such order by the President, after application made by any enemy or ally of enemy insurance or reinsurance company, within such thirty days as above provided, the provisions of the President's proclamation of April sixth, nineteen hundred and seventeen, relative to agencies in the United States of certain insurance companies, as modified by the provisions of the President's proclamation of July thirteenth, nineteen hundred and seventeen, relative to marine and war-risk insurance, shall remain in full force and effect so far as it applies to such German insurance companies, and the conditions of said proclamation of April sixth, nineteen hundred and seventeen, as modified by said proclamation of July thirteenth, nineteen hundred and seventeen, shall also during said period of thirty days after the passage of this Act, and pending the order of the President as herein provided, apply to any enemy or ally of enemy insurance or reinsurance company, anything in this Act to the contrary notwithstanding. It shall be unlawful for any enemy or ally of enemy insurance or reinsurance company, to whom license is granted, to transmit out of the United States any funds belonging to or held for the benefit of such company or to use any such funds as the basis for the establishment directly or indirectly of any credit within or outside of the United States to, or for the benefit of, or on behalf of, or on account of, an enemy or ally of enemy.

Transmission of Funds Unlawful

For a period of thirty days after the passage of this Act, and further pending the entry of such order by the President, after application made within such thirty days

by any enemy or ally of enemy, other than an insurance or reinsurance company as above provided, it shall be lawful for such enemy or ally of enemy to continue to do business in this country and for any person to trade with, to, from, for, on account of, on behalf of or for the benefit of such enemy or ally of enemy, anything in this Act to the contrary notwithstanding: *Provided, however*, That the provisions of sections three and sixteen hereof shall apply to any act or attempted act of transmission or transfer of money or other property out of the United States and to the use or attempted use of such money or property as the basis for the establishment of any credit within or outside of the United States to, or for the benefit of, or on behalf of, or on account of, an enemy or ally of enemy.

Unlawful to Continue Business Without License

If no license is applied for within thirty days after the passage of this Act, or if a license shall be refused to any enemy or ally of enemy, whether insurance or reinsurance company or other person, making application, or if any license granted shall be revoked by the President, the provisions of sections three and sixteen hereof shall forthwith apply to all trade or to any attempt to trade with, to, from, for, by, on account of, or on behalf of, or for the benefit of such company or other person: *Provided, however*, That after such refusal or revocation, anything in this Act to the contrary notwithstanding, it shall be lawful for a policy holder or for an insurance company, not an enemy or ally of enemy, holding insurance or having effected reinsurance in or with such enemy or ally of enemy insurance or reinsurance company, to receive payment of, and for such enemy or ally of enemy insurance or reinsurance company to pay any premium, return premium, claim, money, security, or other property due or which may become due on or in respect to such insurance or reinsurance in force at the date of such refusal or revocation of license; and nothing in this Act shall vitiate or nullify then existing policies or contracts of insurance or reinsurance, or the conditions thereof; and any such policy holder or insurance company, not an enemy or ally of enemy, having any claim to or upon money or other property of the enemy or ally of enemy insurance or reinsurance company in the custody or control of the alien property custodian, hereinafter provided for, or of the Treasurer of the United States, may make application for the payment thereof and may institute suit as provided in section nine hereof.

Change of Name

(b) That, during the present war, no enemy, or ally of enemy, and no partnership of which he is a member or was a member at the beginning of the war, shall for any purpose assume or use any name other than that by which such enemy or partnership was ordinarily known at the beginning of the war, except under license from the President.

Whenever, during the present war, in the opinion of the President the public safety or public interest requires, the President may prohibit any or all foreign insurance companies from doing business in the United States, or the President may license such company or companies to do business upon such terms as he may deem proper.

Suspension of Provision Applicable to an Ally of Enemy

Granting of Licenses

SEC. 5. (a) That the President, if he shall find it compatible with the safety of the United States and with the successful prosecution of the war, may, by proclamation, suspend the provisions of this Act so far as they apply to an ally of enemy, and he may revoke or renew such suspension from time to time; and the President may grant licenses, special or general, temporary or otherwise, and for such period of time and containing such provisions and conditions as he shall prescribe, to any person or class of persons to do business as provided in subsection (a) of section four hereof, and to perform any act made unlawful without such license in section three hereof, and to file and prosecute applications under subsection (b) of section ten hereof; and he may revoke or renew such licenses from time to time, if he shall be of opinion that such grant or revocation or renewal shall be compatible with the safety of the United States and with the successful prosecution of the war; and he may make such rules and regulations, not inconsistent with law, as may be necessary and proper to carry out the provisions of this Act; and the President may exercise any power or authority conferred by this Act through such officer or officers as he shall direct.

Suspension of Performance of Illegal Act

If the President shall have reasonable cause to believe that any act is about to be performed in violation of section three hereof he shall have authority to order the postponment of the performance of such act for a period not exceeding ninety days, pending investigation of the facts by him.

Export of Coin or Bullion

(b) That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions

in foreign exchange, export or ear-markings of gold or silver coin or bullion or currency, transfers of credit in any form (other than credits relating solely to transactions to be executed wholly within the United States), and transfers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, whether enemy, ally of enemy or otherwise, or between residents of one or more foreign countries, by any person within the United States; and he may require any such person engaged in any such transaction to furnish, under oath, complete information relative thereto, including the production of any books of account, contracts, letters or other papers, in connection therewith in the custody or control of such person, either before or after such transaction is completed.

Alien Property Custodian

SEC. 6. That the President is authorized to appoint, prescribe the duties of, and fix the salary (not to exceed $5,000 per annum) of an official to be known as the Alien Property Custodian, who shall be empowered to receive all money and property in the United States due or belonging to an enemy, or ally of enemy, which may be paid, conveyed, transferred, assigned, or delivered to said custodian under the provisions of this Act; and to hold, administer, and account for the same under the general direction of the President and as provided in this Act. The Alien Property Custodian shall give such bond or bonds, and in such form and amount, and with such security as the President shall prescribe. The President may further employ in the District of Columbia and elsewhere and fix the compensation of such clerks, attorneys, investigators, accountants, and other employees as he may find necessary for the due administration of the provisions of this Act: *Provided*, That such clerks, investigators, accountants, and other employees shall be appointed from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil-service law: *Provided further*, That the President shall cause a detailed report to be made to Congress on the first day of January of each year of all proceedings had under this Act during the year preceding. Such report shall contain a list of all persons appointed or employed, with the salary or compensation paid to each, and a statement of the different kinds of property taken into custody and the disposition made thereof.

Disclosure of Stockholders, Directors, and Officers of Corporations

SEC. 7. (a) That every corporation incorporated within the United States, and every unincorporated association, or company, or trustee, or trustees within the United States, issuing shares or certificates representing beneficial interests, shall, under such rules and regulations as the President may prescribe and, within sixty days after the passage of this Act, and at such other times thereafter as the President may require, transmit to the Alien Property Custodian a full list, duly sworn to, of every officer, director, or stockholder known to be, or whom the representative of such corporation, association, company, or trustee has reasonable cause to believe to be an enemy or ally of enemy resident within the territory, or a subject or citizen residing outside of the United States, of any nation with which the United States is at war, or resident within the territory, or a subject or citizen residing outside of the United States, of any ally of any nation with which the United States is at war, together with the amount of stock or shares owned by each such officer, director, or stockholder, or in which he has any interest.

The President may also require a similar list to be transmitted of all stock or shares owned on February third, nineteen hundred and seventeen, by any person now defined as an enemy or ally of enemy, or in which any such person had any interest; and he may also require a list to be transmitted of all cases in which said corporation, association, company, or trustee has reasonable cause to believe that the stock or shares on February third, nineteen hundred and seventeen, were owned or are owned by such enemy or ally of enemy, though standing on the books in the name of another: *Provided, however*, That the name of any such officer, director, or stockholder shall be stricken permanently or temporarily from such list by the Alien Property Custodian when he shall be satisfied that he is not such enemy or ally of enemy.

Disclosure of Money or Property

Any person in the Unites States who holds or has or shall hold or have custody or control of any property beneficial or otherwise, alone or jointly with others. of, for, or on behalf of an enemy or ally of enemy, or of any person whom he may have reasonable cause to believe to be an enemy or ally of enemy and any person in the United States who is or shall be indebted in any way to an enemy or ally of enemy, or to any person whom he may have reasonable cause to believe to be an enemy or ally of enemy,

shall, with such exceptions and under such rules and regulations as the President shall prescribe, and within thirty days after the passage of this Act, or within thirty days after such property shall come within his custody or control, or after such debt shall become due, report the fact to the Alien Property Custodian by written statement under oath containing such particulars as said custodian shall require. The President may also require a similar report of all property so held, of, for, or on behalf of, and of all debts so owed to, any person now defined as an enemy or ally of enemy, on February third, nineteen hundred and seventeen: *Provided*, That the name of any person shall be stricken from the said report by the Alien Property Custodian, either temporarily or permanently, when he shall be satisfied that such person is not an enemy or ally of enemy.

Extension of Time for Filing Lists

The President may extend the time for filing the lists or reports required by this section for an additional period not exceeding ninety days.

Effect of Law on Unlawful Transactions

(b) Nothing in this Act contained shall render valid or legal, or be construed to recognize as valid or legal, any act or transaction constituting trade with, to, from, for or on account of, or on behalf or for the benefit of an enemy performed or engaged in since the beginning of the war and prior to the passage of this Act, or any such act or transaction hereafter performed or engaged in except as authorized hereunder, which would otherwise have been or be void, illegal, or invalid at law. No conveyance, transfer, delivery, payment, or loan of money or other property, in violation of section three hereof, made after the passage of this Act, and not under license as herein provided shall confer or create any right or remedy in respect thereof; and no person shall by virtue of any assignment, indorsement, or delivery to him of any debt, bill, note, or other obligation or chose in action by, from, or on behalf of, or on account of, or for the benefit of an enemy or ally of enemy have any right or remedy against the debtor, obligor, or other person liable to pay, fulfill, or perform the same unless said assignment, indorsement, or delivery was made prior to the beginning of the war or shall be made under license as herein provided, or unless, if made after the beginning of the war and prior to the date of passage of this Act, the person to whom the same was made shall prove lack of knowledge and of reasonable cause to believe

on his part that the same was made by, from or on behalf of, or on account of, or for the benefit of an enemy or ally of enemy; and any person who knowingly pays, discharges, or satisfies any such debt, note, bill, or other obligation or chose in action shall, on conviction thereof, be deemed to violate section three hereof: *Provided*, That nothing in this Act contained shall prevent the carrying out, completion, or performance of any contract, agreement, or obligation originally made with or entered into by an enemy or ally of enemy where, prior to the beginning of the war and not in contemplation thereof, the interest of such enemy or ally of enemy devolved by assignment or otherwise upon a person not an enemy or ally of enemy, and no enemy or ally of enemy will be benefited by such carrying out, completion, or performance otherwise than by release from obligation thereunder.

Payments Prior to War

Nothing in this Act shall be deemed to prevent payment of money belonging or owing to an enemy or ally of enemy to a person within the United States, not an enemy or ally of enemy, for the benefit of such person or of any other person within the United States, not an enemy or ally of enemy, if the funds so paid shall have been received prior to the beginning of the war and such payments arise out of transactions entered into prior to the beginning of the war, and not in contemplation thereof: *Provided*, That such payment shall not be made without the license of the President, general or special, as provided in this Act.

Maintenance of Suit

Nothing in this Act shall be deemed to authorize the prosecution of any suit or action at law or in equity in any court within the United States by an enemy or ally of enemy prior to the end of the war, except as provided in section ten hereof: *Provided, however*, That an enemy or ally of enemy licensed to do business under this Act may prosecute and maintain any such suit or action so far as the same arises solely out of the business transacted within the United States under such license and so long as such license remains in full force and effect: *And provided further*, That an enemy or ally of enemy may defend by counsel any suit in equity or action at law which may be brought against him.

Defense to Suit by Enemy

Receipt of notice from the President to the effect that he has reasonable ground to believe that any person is an enemy or ally of enemy shall be prima facie defense to any one receiving the same, in any suit or action at law or in

equity brought or maintained, or to any right or set-off or recoupment asserted by, such person and based on failure to complete or perform since the beginning of the war any contract or other obligation. In any prosecution under section sixteen hereof, proof of receipt of notice from the President to the effect that he has reasonable cause to believe that any person is an enemy or ally of enemy shall be prima facie evidence that the person receiving such notice has reasonable cause to believe such other person to be an enemy or ally of enemy within the meaning of section three hereof.

Surrender of Enemy Property

(c) If the President shall so require, any money or other property owing or belonging to or held for, by, on account of, or on behalf of, or for the benefit of an enemy or ally of enemy not holding a license granted by the President hereunder, which the President after investigation shall determine is so owing or so belongs or is so held, shall be conveyed, transferred, assigned, delivered, or paid over to the Alien Property Custodian.

(d) If not required to pay, convey, transfer, assign, or deliver under the provisions of subsection (c) hereof, any person not an enemy or ally of enemy who owes to, or holds for, or on account of, or on behalf of, or for the benefit of an enemy or of an ally of enemy not holding a license granted by the President hereunder, any money or other property, or to whom any obligation or form of liability to such enemy or ally of enemy is presented for payment, may, at his option, with the consent of the President, pay, convey, transfer, assign, or deliver to the Alien Property Custodian said money or other property under such rules and regulations as the President shall prescribe.

(e) No person shall be held liable in any court for or in respect to anything done or omitted in pursuance of any order, rule, or regulation made by the President under the authority of this Act.

Delivery to Custodian full discharge of obligation

Any payment, conveyance, transfer, assignment, or delivery of money or property made to the Alien Property Custodian hereunder shall be a full acquittance and discharge for all purposes of the obligation of the person making the same to the extent of same. The Alien Property Custodian and such other persons as the President may appoint shall have power to execute, acknowledge, and deliver any such instrument or instruments as may be necessary or proper to evidence upon the record or otherwise such acquittance and discharge, and shall, in case of payment to the Alien Property Custodian of any debt or obligation owed to an enemy or ally of enemy, deliver up any notes, bonds, or other evidences of indebtedness or obligation, or any security therefor in which such enemy or ally of enemy had any right or interest that may have come into the possession of the Alien Property Custodian, with like effect as if he or they, respectively, were duly appointed by the enemy or ally of enemy, creditor, or obligee. The President shall issue to every person so appointed a certificate of the appointment and authority of such person, and such certificate shall be received in evidence in all courts within the United States. Whenever any such certificate of authority shall be offered to any registrar, clerk, or other recording officer, Federal or otherwise, within the United States, such officer shall record the same in like manner as a power of attorney, and such record or a duly certified copy thereof shall be received in evidence in all courts of the United States or other courts within the United States.

Enforcement of Liens

SEC. 8. (a) That any person not an enemy or ally of enemy holding a lawful mortgage, pledge, or lien, or other right in the nature of security in property of an enemy or ally of enemy which, by law or by the terms of the instrument creating such mortgage, pledge, or lien, or right, may be disposed of on notice or presentation or demand, and any person not an enemy or ally of enemy who is a party to any lawful contract with an enemy or ally of enemy, the terms of which provide for a termination thereof upon notice or for acceleration of maturity on presentation or demand, may continue to hold said property, and, after default, may dispose of the property in accordance with law or may terminate or mature such contract by notice or presentation or demand served or made on the Alien Property Custodian in accordance with the law and the terms of such instrument or contract and under such rules and regulations as the President shall prescribe; and such notice and such presentation and demand shall have, in all respects, the same force and effect as if duly served or made upon the enemy or ally of enemy personally:

Provided, That no such rule or regulation shall require that notice or presentation or demand shall be served or made in any case in which, by law or by the terms of said instrument or contract, no notice, presentation, or demand was, prior to the passage of this Act, required; and that in case where, by law or by the terms of such instrument or contract, notice is required, no longer period of notice shall be required: *Provided further*, That if, on any such disposition of property, a surplus shall remain after the satisfaction of the mortgage, pledge, lien, or other right in the nature of security, notice of that factshall be given to the President pursuant to such rules and regulations as he may prescribe, and such surplus shall be held subject to his further order.

Abrogation of Enemy Contracts

(b) That any contract entered into prior to the beginning of the war between any citizen of the United States or any corporation organized within the United States, and an enemy or ally of an enemy, the terms of which provide for the delivery, during or after any war in which a present enemy or ally of enemy nation has been or is now engaged, of anything produced, mined, or manufactured in the United States, may be abrogated by such citizen or corporation by serving thirty days' notice in writing upon the Alien Property Custodian of his or its election to abrogate such contract.

Suspension of Statute of Limitations

(c) The running of any statute of limitations shall be suspended with reference to the rights or remedies on any contract or obligation entered into prior to the beginning of the war between parties neither of whom is an enemy or ally of enemy, and containing any promise to pay or liability for payment which is evidenced by drafts or other commercial paper drawn against or secured by funds or other property situated in an enemy or ally of enemy country, and no suit shall be maintained on any such contract or obligation in any court within the United States until after the end of the war, or until the said funds or property shall be released for the payment or satisfaction of such contract or obligation: *Provided, however*, That nothing herein contained shall be construed to prevent the suspension of the running of the statute of limitations in all other cases where such suspension would occur under existing law.

Claims against Property Deposited with Custodian

SEC. 9. That any person, not an enemy, or ally of enemy, claiming any interest, right, or title in any money or other property which may have been conveyed, transferred, assigned, delivered, or paid to the Alien Property Custodian hereunder, and held by him or by the Treasurer of the United States, or to whom any debt may be owing from an enemy, or ally of enemy, whose property or any part thereof shall have been conveyed, transferred, assigned, delivered, or paid to the Alien Property Custodian hereunder, and held by him or by the Treasurer of the United States, may file with the said Custodian a notice of his claim under oath and in such form and containing such particulars as the said Custodian shall require; and the President, if application is made therefor by the claimant, may, with the assent of the owner of said property and of all persons claiming any right, title, or interest therein, order the payment, conveyance, transfer, assignment or delivery to said claimant of the money or other property so held by the Alien Property Custodian or by the Treasurer of the United States or of the interest therein to which the President shall determine said claimant is entitled: *Provided*, That no such order by the President shall bar any person from the prosecution of any suit at law or in equity against the claimant to establish any right, title or interest which he may have in such money or other property. If the President shall not so order within sixty days after the filing of such application, or if the claimant shall have filed the notice as above required and shall have made no application to the President, said claimant may, at any time before the expiration of six months after the end of the war, institute a suit in equity in the district court of the United States for the district in which such claimant resides, or, if a corporation, where it has its principal place of business (to which suit the Alien Property Custodian or the Treasurer of the United States, as the case may be, shall be made a party defendant), to establish the interest, right, title, or debt so claimed, and if suit shall be so instituted then the money or other property of the enemy, or ally of enemy, against whom such interest, right, or title is asserted, or debt claimed, shall be retained in the custody of the Alien Property Custodian, or in the Treasury of the United States, as provided in this Act, and until any final judgment or decree which shall be entered in favor of the claimant

Right to Sue not Barred

shall be fully satisfied by payment or conveyance, transfer, assignment, or delivery by the defendant or by the Alien Property Custodian or Treasurer of the United States on order of the court, or until final judgment or decree shall be entered against the claimant, or suit otherwise terminated.

Property not Subject to Lien while with Custodian

Except as herein provided, the money or other property conveyed, transferred, assigned, delivered, or paid to the Alien Property Custodian shall not be liable to lien, attachment, garnishment, trustee process, or execution, or subject to any order or decree of any court.

This section shall not apply, however, to money paid to the Alien Property Custodian under section ten hereof.

SEC. 10. That nothing contained in this Act shall be held to make unlawful any of the following acts:

Enemy may Apply for Letters Patents

(a) An enemy, or ally of enemy, may file and prosecute in the United States an application for letters patent, or for registration of trademark, print, label, or copyright, and may pay any fees therefor in accordance with and as required by the provisions of existing law and fees for attorneys or agents for filing and prosecuting such applications. Any such enemy, or ally of enemy, who is unable during war, or within six months thereafter, on account of conditions arising out of war, to file any such application, or to pay any official fee, or to take any action required by law within the period prescribed by law, may be granted an extension of nine months beyond the expiration of said period, provided the nation of which the said applicant is a citizen, subject, or corporation shall extend substantially similar privileges to citizens and corporations of the United States.

U. S. Citizen may Apply in Enemy Country

(b) Any citizen of the United States, or any corporation organized within the United States, may, when duly authorized by the President, pay to an enemy or ally of enemy any tax, annuity, or fee which may be required by the laws of such enemy or ally of enemy nation in relation to patents and trademarks, prints, labels, and copyrights; and any such citizen or corporation may file and prosecute an application for letters patent or for registration of trademark, print, label, or copyright in the country of an enemy, or of an ally of enemy after first submitting such application to the President and receiving license so to file and prosecute, and to pay the fees required by law and customary agents' fees, the maximum amount of which in each case shall be subject to the control of the President.

U. S. Citizen May Obtain License to Use Enemy Patent

(c) Any citizen of the United States or any corporation organized within the United States desiring to manufacture, or cause to be manufactured, a machine, manufacture, composition of matter, or design, or to carry on, or cause to be carried on, a process under any patent or to use any trademark, print, label or copyrighted matter owned or controlled by an enemy or ally of enemy at any time during the existence of a state of war may apply to the President for a license; and the President is hereby authorized to grant such a license, nonexclusive or exclusive as he shall deem best, provided he shall be of the opinion that such grant is for the public welfare, and that the applicant is able and intends in good faith to manufacture, or cause to be manufactured, the machine, manufacture, composition of matter, or design, or to carry on, or cause to be carried on, the process or to use the trademark, print, label or copyrighted matter. The President may prescribe the conditions of this license, including the fixing of prices of articles and products necessary to the health of the military and naval forces of the United States or the successful prosecution of the war, and the rules and regulations under which such license may be granted and the fee which shall be charged therefor, not exceeding $100, and not exceeding one per centum of the fund deposited as hereinafter provided. Such license shall be a complete defense to any suit at law or in equity instituted by the enemy or ally of enemy owners of the letters patent, trademark, print, label or copyright, or otherwise, against the licensee for infringement or for damages, royalty, or other money award on account of anything done by the licensee under such license, except as provided in subsection (f) hereof.

Statement of Use and Enjoyment of Patent

(d) The licensee shall file with the President a full statement of the extent of the use and enjoyment of the license, and of the prices received in such form and at such stated periods (at least annually) as the President may prescribe; and the licensee shall pay at such times as may be required to the Alien Property Custodian not to exceed five per centum of the gross sums received by the licensee from the sale of said inventions or use of the trademark, print, label or copyrighted matter, or, if the President shall so order, five per centum of the value

Compensation for Use

of the use of such inventions, trademarks, prints, labels or copyrighted matter to the licensee as established by the President; and sums so paid shall be deposited by said Alien Property Custodian forthwith in the Treasury of the United States as a trust fund for the said licensee and for the owner of the said patent, trademark, print, label or copyright registration as hereinafter provided, to be paid from the Treasury upon order of the court, as provided in subdivision (f) of this section, or upon the direction of the Alien Property Custodian.

Term of License

(e) Unless surrendered or terminated as provided in this Act, any license granted hereunder shall continue during the term fixed in the license or in the absence of any such limitation during the term of the patent, trademark, print, label, or copyright registration under which it is granted. Upon violation by the licensee of any of the provisions of this Act, or of the conditions of the license, the President may, after due notice and hearing, cancel any license granted by him.

Enemy Owner May Sue for Accounting

(f) The owner of any patent, trademark, print, label, or copyright under which a license is granted hereunder may, after the end of the war and until the expiration of one year thereafter, file a bill in equity against the licensee in the district court of the United States for the district in which the said licensee resides, or, if a corporation, in which it has its principal place of business (to which suit the Treasurer of the United States shall be made a party), for recovery from the said licensee for all use and enjoyment of the said patented invention, trademark, print, label, or copyrighted matter: *Provided, however,* That whenever suit is brought, as above, notice shall be filed with the Alien Property Custodian within thirty days after date of entry of suit: *Provided further,* That the licensee may make any and all defenses which would be available were no license granted. The court on due proceedings had may adjudge and decree to the said owner payment of a reasonable royalty. The amount of said judgment and decree, when final, shall be paid on order of the court to the owner of the patent from the fund deposited by the licensee, so far as such deposit will satisfy said judgment and decree; and the said payment shall be in full or partial satisfaction of said judgment and decree, as the facts may appear; and if, after payment of all such judgments and decrees, there shall remain any balance of said deposit,

All Defences Available

such balance shall be repaid to the licensee on order of the Alien Property Custodian. If no suit is brought within one year after the end of the war, or no notice is filed as above required, then the licensee shall not be liable to make any further deposits, and all funds deposited by him shall be repaid to him on order of the Alien Property Custodian. Upon entry of suit and notice filed as above required, or upon repayment of funds as above provided, the liability of the licensee to make further reports to the President shall cease.

Return of Deposit to Licensee if no Suit is Instituted

If suit is brought as above provided, the court may, at any time, terminate the license, and may, in such event, issue an injunction to restrain the licensee from infringement thereafter, or the court, in case the licensee, prior to suit, shall have made investment of capital based on possession of the license, may continue the license for such period and upon such terms and with such royalties as it shall find to be just and reasonable.

Practice on Hearing

(g) Any enemy, or ally of enemy, may institute and prosecute suits in equity against any person other than a licensee under this Act to enjoin infringement of letters patent, trademark, print, label, and copyrights in the United States owned or controlled by said enemy or ally of enemy, in the same manner and to the extent that he would be entitled so to do if the United States was not at war: *Provided,* That no final judgment or decree shall be entered in favor of such enemy or ally of enemy by any court except after thirty days' notice to the Alien Property Custodian, such notice shall be in writing and shall be served in the same manner as civil process of Federal courts.

Enemy May Enjoin Infringement of Patent

(h) All powers of attorney heretofore or hereafter granted by an enemy or ally of enemy to any person within the United States, in so far as they may be requisite to the performance of acts authorized in subsections (a) and (g) of this section, shall be valid.

Powers of Attorney Valid

(i) Whenever the publication of an invention by the granting of a patent may, in the opinion of the President, be detrimental to the public safety or defense, or may assist the enemy or endanger the successful prosecution of the war, he may order that the invention be kept secret and withhold the grant of a patent until the end of the war: *Provided,* That the invention disclosed in the application for said patent may be held abandoned upon it being established before or by the Commissioner of Patents that, in

Patents on Inventions of Detrimental Consequence May be Withheld

violation of said order, said invention has been published or that an application for a patent therefor has been filed in any other country, by the inventor or his assigns or legal representatives, without the consent or approval of the commissioner or under a license of the President.

When an applicant whose patent is withheld as herein provided and who faithfully obeys the order of the President above referred to shall tender his invention to the Government of the United States for its use, he shall, if he ultimately receives a patent, have the right to sue for compensation in the Court of Claims, such right to compensation to begin from the date of the use of the invention by the Government.

Suit for Compensation in Court of Claims

May Prohibit Imports

SEC. 11. Whenever during the present war the President shall find that the public safety so requires and shall make proclamation thereof it shall be unlawful to import into the United States from any country named in such proclamation any article or articles mentioned in such proclamation except as such time or times, and under such regulations or orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however,* That no preference shall be given to the ports of one State over those of another.

Investment of Funds in Government Bonds

SEC. 12. That all moneys (including checks and drafts payable on demand) paid to or received by the Alien Property Custodian pursuant to this Act shall be deposited forthwith in the Treasury of the United States, and may be invested and reinvested by the Secretary of the Treasury in United States bonds or United States certificates of indebtedness, under such rules and regulations as the President shall prescribe for such deposit, investment, and sale of securities; and as soon after the end of the war as the President shall deem practicable, such securities shall be sold and the proceeds deposited in the Treasury.

Banks May Act as Depositaries for Custodian; also Secretary of Treasury

All other property of an enemy, or ally of enemy, conveyed, transferred, assigned, delivered, or paid to the Alien Property Custodian hereunder shall be safely held and administered by him except as hereinafter provided; and the President is authorized to designate as a depositary, or depositaries, of property of an enemy or ally of enemy, any bank, or banks, or trust company, or trust companies, or other suitable depositary or depositaries, located and doing business in the United States. The

Alien Property Custodian may deposit with such designated depositary or depositaries, or with the Secretary of the Treasury, any stocks, bonds, notes, time drafts, time bills of exchange, or other securities, or property (except money or checks or drafts payable on demand which are required to be deposited with the Secretary of the Treasury) and such depositary or depositaries shall be authorized and empowered to collect any dividends or interest or income that may become due and any maturing obligations held for the account of such Custodian. Any moneys collected on said account shall be paid and deposited forthwith by said depositary or by the Alien Property Custodian into the Treasury of the United States as hereinbefore provided.

Bonds Necessary

The President shall require all such designated depositaries to execute and file bonds sufficient in his judgment to protect property on deposit, such bonds to be conditioned as he may direct.

Powers of Alien Property Custodian

The Alien Property Custodian shall be vested with all of the powers of a common-law trustee in respect of all property, other than money, which has been or shall be, or which has been or shall be required to be, conveyed, transferred, assigned, delivered, or paid over to him in pursuance of the provisions of this Act, and, in addition thereto, acting under the supervision and direction of the President, and under such rules and regulations as the President shall prescribe, shall have power to manage such property and do any act or things in respect thereof or make any disposition thereof or of any part thereof, by sale or otherwise, and exercise any rights or powers which may be or become appurtenant thereto or to the ownership thereof in like manner as though he were the absolute owner thereof: PROVIDED, That any property sold under this Act, except when sold to the United States, shall be sold only to American citizens, at public sale to the highest bidder, after public advertisement of time and place of sale which shall be where the property or a major portion thereof is situated, unless the President stating the reasons therefor, in the public interest shall otherwise determine: PROVIDED FURTHER, That when sold at public sale, the Alien Property Custodian upon the order of the President stating the reasons therefor, shall have the right to reject all bids and resell such property at public sale or otherwise as the President may direct. Any person purchasing property from the Alien Property Custodian for an un-

*disclosed principal, or for re-sale to a person not a citizen of the United States, or for the benefit of a person not a citizen of the United States, shall be guilty of a misdemeanor, and, upon conviction, shall be subject to a fine of not more than $10,000, or imprisonment for not more than ten years, or both, and the property shall be forfeited to the United States. It shall be the duty of every corporation incorporated within the United States and every unincorporated association, or company, or trustee, or trustees within the United States issuing shares or certificates representing beneficial interests to transfer such shares or certificates upon its, his, or their books into the name of the Alien Property Custodian upon demand, accompanied by the presentation of the certificates which represent such shares or beneficial interests. The Alien Property Custodian shall forthwith deposit in the Treasury of the United States, as hereinbefore provided, the proceeds of any such property or rights so sold by him.**

Delivery to United States Treasurer

Any money or property required or authorized by the provisions of this Act to be paid, conveyed, transferred, assigned, or delivered to the Alien Property Custodian shall, if said Custodian shall so direct by written order, be paid, conveyed, transferred, assigned, or delivered to the Treasurer of the United States with the same effect as if to the Alien Property Custodian.

Distribution of Alien Property Held by Custodian

After the end of the war any claim of any enemy or of an ally of enemy to any money or other property received and held by the Alien Property Custodian or deposited in the United States Treasury, shall be settled as Congress shall direct: *Provided, however,* That on order of the President as set forth in section nine hereof, or of the court, as set forth in sections nine and ten hereof, the Alien Property Custodian or the Treasurer of the United States, as the case may be, shall forthwith convey, transfer, assign, and pay to the person to whom the President shall so order, or in whose behalf the court shall enter final judgment or decree, any property of an enemy or ally of enemy held by said custodian or by said Treasurer, so far as may be necessary to comply with said order of the President or said final judgment or decree of the court: *And provided further,* That the Treasurer of the United States, on order of the Alien Property Custodian shall, as provided in section ten hereof, repay to the licensee any funds deposited by said licensee.

*Amendment by Act of March 28, 1918.

Ship Masters Certificates as to Cargo and Consignee

SEC. 13. That, during the present war, in addition to the facts required by sections forty-one hundred and ninety-seven, forty-one hundred and ninety-eight, and forty-two hundred of the Revised Statutes, as amended by the Act of June fifteenth, nineteen hundred and seventeen, to be set out in the master's and shipper's manifests before clearance will be issued to vessels bound to foreign ports, the master or person in charge of any vessel, before departure of such vessel from port, shall deliver to the collector of customs of the district wherein such vessel is located a statement duly verified by oath that the cargo is not shipped or to be delivered in violation of this Act, and the owners, shippers, or consignors of the cargo of such vessels shall in like manner deliver to the collector like statement under oath as to the cargo or the parts thereof laden or shipped by them, respectively, which statement shall contain also the names and addresses of the actual consignees of the cargo, or if the shipment is made to a bank or other broker, factor, or agent, the names and addresses of the persons who are the actual consignees on whose account the shipment is made. The master or person in control of the vessel shall, on reaching port of destination of any of the cargo, deliver a copy of the manifest and of the said master's, owner's, shipper's, or consignor's statement to the American consular officer of the district in which the cargo is unladen.

Collector May Refuse Clearance for False Representation

SEC. 14. That, during the present war, whenever there is reasonable cause to believe that the manifest or the additional statements under oath required by the preceding section are false or that any vessel, domestic or foreign, is about to carry out of the United States any property to or for the account or benefit of an enemy, or ally of enemy, or any property or person whose export, taking out, or transport will be in violation of this Act, the collector of customs for the district in which such vessel is located is hereby authorized and empowered subject to review by the President to refuse clearance to any such vessel, domestic or foreign, for which clearance is required by law, and by formal notice served upon the owners, master, or person or persons in command or charge of any domestic vessel for which clearance is not required by law, to forbid the departure of such vessel from the port, and it shall thereupon be unlawful for such vessel to depart. The collector of customs shall, during the present war, in each

case report to the President the amount of gold or silver coin or bullion or other moneys of the United States contained in any cargo intended for export. Such report shall include the names and addresses of the consignors and consignees, together with any facts known to the collector with reference to such shipment and particularly those which may indicate that such gold or silver coin or bullion or moneys of the United States may be intended for delivery or may be delivered, directly or indirectly, to an enemy or an ally of enemy.

Appropriation $450,000

SEC. 15. That the sum of $450,000 is hereby appropriated, out of any money in the Treasury of the United States not otherwise appropriated, to be used in the discretion of the President for the purpose of carrying out the provisions of this Act during the fiscal year ending June thirtieth, nineteen hundred and eighteen, and for the payment of salaries of all persons employed under this Act, together with the necessary expenses for transportation, subsistence, rental of quarters in the District of Columbia, books of reference, periodicals, stationery, typewriters and exchanges thereof, miscellaneous supplies, printing to be done at the Government Printing Office, and all other necessary expenses not included in the foregoing.

Penalty for Violation

SEC. 16. That whoever shall willfully violate any of the provisions of this Act or of any license, rule, or regulation issued thereunder, and whoever shall willfully violate, neglect, or refuse to comply with any order of the President issued in compliance with the provisions of this Act shall, upon conviction, be fined not more than $10,000, or, if a natural person, imprisoned for not more than ten years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both, and any property, funds, securities, papers, or other articles or documents, or any vessel, together with her tackle, apparel, furniture, and equipment, concerned in such violation shall be forfeited to the United States.

United States District Courts

SEC. 17. That the district courts of the United States are hereby given jurisdiction to make and enter all such rules as to notice and otherwise, and all such orders and decrees, and to issue such process as may be necessary and proper in the premises to enforce the provisions of this Act, with a right of appeal from the final order or decree

of such court as provided in sections one hundred and twenty-eight and two hundred and thirty-eight of the Act of March third, nineteen hundred and eleven, entitled "An Act to codify, revise, and amend the laws relating to the judiciary."

Philippines and Canal Zone

SEC. 18. That the several courts of first instance in the Philippine Islands and the district court of the Canal Zone shall have jurisdiction of offenses under this Act committed within their respective districts, and concurrent jurisdiction with the district courts of the United States of offenses under this Act committed upon the high seas and of conspiracies to commit such offenses as defined by section thirty-seven of the Act entitled "An Act to codify, revise, and amend the penal laws of the United States," approved March fourth, nineteen hundred and nine, and the provisions of such section for the purpose of this Act are hereby extended to the Philippine Islands and to the Canal Zone.

Publications in Foreign Language

SEC. 19. That ten days after the approval of this Act and until the end of the war, it shall be unlawful for any person, firm, corporation, or association, to print, publish, or circulate, or cause to be printed, published, or circulated in any foreign language, any news item, editorial or other printed matter, respecting the Government of the United States, or of any nation engaged in the present war, its policies, international relations, the state or conduct of the war, or any matter relating thereto: *Provided*, That this section shall not apply to any print, newspaper, or publication where the publisher or distributor thereof, on or before offering the same for mailing, or in any manner distributing it to the public, has filed with the postmaster at the place of publication, in the form of an affidavit, a true and complete translation of the entire article containing such matter proposed to be published in such print, newspaper, or publication, and has caused to be printed, in plain type in the English language, at the head of each such item, editorial, or other matter, on each copy of such print, newspaper, or publication, the words "True translation filed with the postmaster at on (naming the postoffice where the translation was filed, and the date of filing thereof), as required by the Act of (here giving the date of this Act)."

Any print, newspaper, or publication in any foreign language which does not conform to the provisions of this section is hereby declared to be nonmailable, and it shall be unlawful for any person, firm, corporation, or association, to transport, carry, or otherwise publish or distribute the same, or to transport, carry or otherwise publish or distribute any matter which is made nonmailable by the provisions of the Act relating to espionage, approved June fifteenth, nineteen hundred and seventeen: *Provided further*, That upon evidence satisfactory to him that any print, newspaper, or publication, printed in a foreign language may be printed, published, and distributed free from the foregoing restrictions and conditions without detriment to the United States in the conduct of the present war, the President may cause to be issued to the printers or publishers of such print, newspaper, or publication, a permit to print, publish, and circulate the issue or issues of their print, newspaper, or publication, free from such restrictions and requirements, such permits to be subject to revocation at his discretion. And the Postmaster General shall cause copies of all such permits and revocations of permits to be furnished to the postmaster of the postoffice serving the place from which the print, newspaper, or publication, granted the permit is to emanate. All matter printed, published and distributed under permits shall bear at the head thereof in plain type in the English language, the words, "Published and distributed under permit authorized by the Act of (here giving date of this Act), on file at the postoffice of (giving name of office)."

Penalty

Any person who shall make an affidavit containing any false statement in connection with the translation provided for in this section shall be guilty of the crime of perjury and subject to the punishment provided therefor by section one hundred and twenty-five of the Act of March fourth, nineteen hundred and nine, entitled "An Act to codify, revise, and amend the penal laws of the United States," and any person, firm, corporation, or association, violating any other requirement of this section shall, on conviction thereof, be punished by a fine of not more than $500, or by imprisonment of not more than one year, or, in the discretion of the court, may be both fined and imprisoned.

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Guaranty Trust Company of New York

Functions and Facilities

Guaranty Trust Company of New York

Invites accounts of banks and bankers, firms, corporations, and individuals

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Functions and Facilities

General Banking Department — Transacts the banking business of the company; extends credit; pays interest on daily balances, and on certificates of deposit.

Department of Banks and Bankers — Centralizes the Company's various facilities for the advancement of its correspondents' interests, and promotes the efficient handling of their business.

Foreign Department — Undertakes all kinds of foreign banking transactions. Has direct relations with leading banks in all parts of the world. Accepts drafts for the purpose of financing shipments to or from the United States. Issues letters of credit and travelers' checks. Deals in acceptances.

Bond Department — Investigates, examines, and underwrites bond issues; gives information to customers regarding their investments; buys and sells securities.

Trust Department — Acts as trustee under corporate mortgages. Acts as executor, administrator, administrator with the will annexed, testamentary trustee, guardian of estates of infants, committee of property of incompetents, trustee under voluntary trusts.

Acts as depositary and agent of voting trustees; holds securities or cash under escrow agreements.

Acts as custodian of securities and financial agent for individuals and corporations.

Acts as depositary for corporations organizing, reorganizing, or established.

Transfer, Registration and Coupon Departments — Act as transfer, fiscal, and disbursing agent; registrar, and co-registrar.

Publicity Department — Prepares, for the benefit of customers and others, digests of State and Federal laws relating to taxation, governmental requirements, etc.; issues pamphlets on financial and economic subjects of timely interest, and furnishes information on business questions.

Statistical Department — Organized to furnish accurate and up-to-date information in regard to securities and investment conditions.

Credit Department — Furnishes information in regard to the financial responsibility of individuals and business houses throughout the world.

Member Federal Reserve System — Through our membership in the Federal Reserve System we are enabled to give our customers the benefit of its credit facilities and rediscount and collection privileges.

Foreign Offices — This company maintains fully equipped offices in London and Paris. It has resident representatives and travelers in many countries abroad, affording to importers and exporters complete facilities for extending their international trade.

Full details of the facilities offered by any or all of the departments will be sent on request.

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Guaranty trust company of New York

Trading with the enemy

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